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Apr. 11, 1978

OFFICIAL STATEMENT

Monrovia Redevelopment Agency Los Angeles County, California

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Bonds -- Capital -- Monrovia

\$7,900,000

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1978 Project Area No. 1 Tax Allocation Bonds

Bids to be received by the Secretary of the Agency at or before 2:00 P.M., Tuesday, April 25, 1978 in the office of the City Clerk of the City of Monrovia, City Hall, 415 South Ivy Avenue, Monrovia, California 91016.

MONROVIA REDEVELOPMENT AGENCY

Los Angeles County, California

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Robert T. Bartlett

Ron Decker

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Hilda Herb, *Treasurer*

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Bond Counsel*

Stone & Youngberg Municipal Financing Consultants, Inc.
Los Angeles and San Francisco

Security Pacific National Bank, *Los Angeles
Fiscal Agent*

Harris Trust and Savings Bank, *Chicago*
Manufacturers Hanover Trust Company, *New York*
Paying Agents

THE DATE OF THIS OFFICIAL STATEMENT IS APRIL 11, 1978

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MONROVIA REDEVELOPMENT AGENCY

April 11, 1978

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on and buyers of the \$7,900,000 of Monrovia Redevelopment 1978 Project Area No. 1 Tax Allocation Bonds (the "Bonds"), authorized and issued for the purpose of assisting in the financing of said Project, paying of expenses in connection with issuance, and providing reserve funds as additional security for the Bonds.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultant to the Redevelopment Agency with regard to the 1978 Project Area No. 1 Tax Allocation Bonds, and the firm will receive compensation from the Agency contingent upon the sale and delivery of the Bonds. This Official Statement contains summaries of the Resolution of Issuance, the Community Redevelopment Law, the Redevelopment Plan for the Project, financial and economic data which do not purport to be complete, and reference is made to the documents on file in the office of the Executive Director of the Agency for further information. Statements which involve estimates or opinions, whether or not expressly so described herein, are intended solely as such and are not to be construed as factual reports.

The Official Statement does not constitute a contract with buyers or holders, from time to time, of the Bonds. The Resolution of Issuance, which does constitute such a contract, accompanies the Official Statement as originally distributed and is available to any prospective bidder on request from the Executive Director of the Agency.

No dealer, broker, salesman or other person has been authorized by the Agency to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The execution and distribution of this Official Statement have been duly authorized by the Agency.

MONROVIA REDEVELOPMENT AGENCY

Robert R. Ovrom, Executive Director



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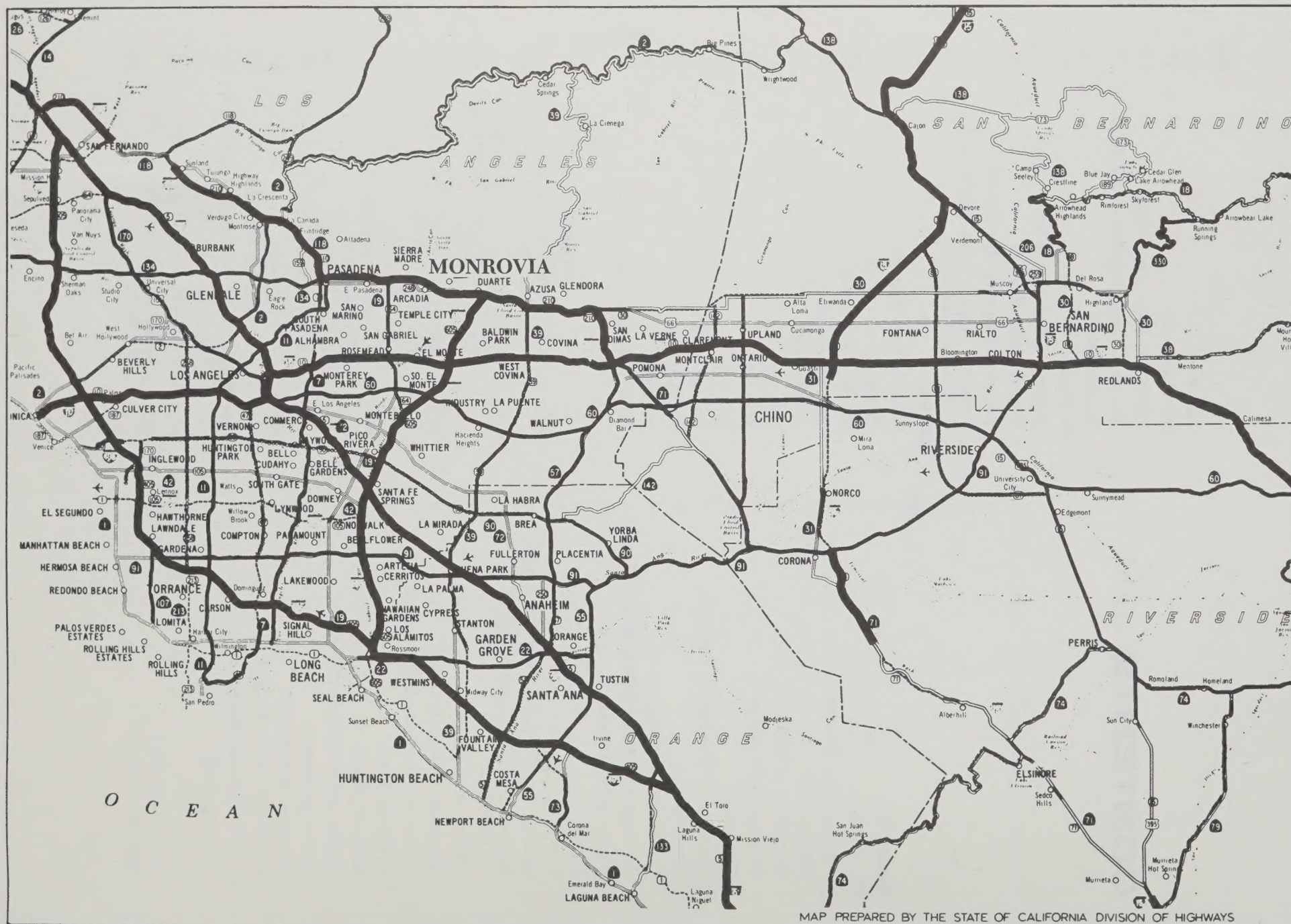
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City of Monrovia and Vicinity.

INTRODUCTION

The Monrovia Redevelopment Agency was formed pursuant to Ordinance No. 69-1 of the Monrovia City Council adopted March 4, 1969. Subsequently on December 18, 1973, the Agency and the City approved the Redevelopment Plan for Project Area No. 1.

Project Area No. 1 covers approximately 415 acres of land within the central business district of the City. It contains a mixture of commercial, industrial and residential uses. However, most of the residences are within commercial and industrial areas and are to be replaced with more appropriate buildings under the Redevelopment Plan.

To date, the Agency has avoided the practice of acquiring and assembling large tracts of land for later resale to a developer of a large single project. Instead it has entered into participation agreements with prospective purchasers of sites for individual buildings under which the Agency acquires land, immediately sells it to the prospective purchaser and receives an easement from the purchasers to enter the property for purposes of clearing it for development. In this way the Agency has been able to avoid making large outlays for land acquisition and clearance in advance of the sale of the property to a developer. However, in order to encourage development, the Agency has agreed to the resale of properties for less than the cost of acquiring and clearing them.

Initially, the Agency was able to finance its operations from tax increments resulting from increases in the assessed valuation of Project Area No. 1 and from money advanced to it from the City.

In 1976 the Agency determined that it would be necessary to issue bonds to finance the continuing redevelopment process. In May of 1977 the Agency sold \$1,110,000 of 1977 Project Area No. 1 Tax Allocation bonds to finance ten new projects and to maintain its reserves for contingencies.

Subsequently, in early 1978, the Agency found that the accelerating pace of redevelopment within Project Area No. 1 required the issuance of a further series of bonds in an amount in excess of the amount of additional bonds currently permitted under the covenants attached to the 1977 bond issue.

Accordingly, the proceeds of the bonds currently being offered for sale will be used to totally defease the 1977 issue as well as to provide additional funds for redevelopment.

The bonds will be secured by a pledge of the tax increments received by the Agency and of interest earned in any of the funds created pursuant to the resolution providing for the issuance of the bonds. The tax increment consists of the amount of taxes collected on that portion of the assessed valuation of Project Area No. 1 which is in excess of the 1973/74 level. The Agency has no power to levy taxes of its own. It may only receive that portion of taxes levied by other governmental agencies which is derived from increases in the Project Area's assessed valuation.

Accordingly, any reduction in tax rates, whether as a result of new statutes, Constitutional amendment or the provision of additional revenues to taxing agencies which would reduce the need for tax revenues, or any increases in exemptions for the type of property located in the Project Area which are not offset by funds from other sources, would have the effect of reducing the Agency's tax revenues.

The Agency's tax increment from Project Area No. 1 is currently \$605,978.45. Currently committed projects, many of which have been completed and the balance of which are in various stages of the redevelopment process are expected to increase this to \$673,823 in the 1978/79 fiscal year, \$1,099,869 in 1979/80 and \$1,125,551 in 1980/81. Additional projects which are in various stages of negotiation are expected to bring the increment to \$1,340,281 in 1979/80 and \$1,671,435 in 1980/81.

There are four potential threats to the continued availability of tax increment revenues which are described in this official statement. One is the case of *Serrano v. Priest*, in which the California Supreme Court held the present system of school finance to be unconstitutional because of its heavy reliance on local property taxes. Another is the case of *McNutt et al. v. City of Los Angeles et al.* in which the plaintiffs seek to have the present system of tax allo-

cations to redevelopment agencies ruled invalid — although the Monrovia Redevelopment Agency is not named in the suit. A third is Proposition 13 on the June 6, 1978, statewide ballot which would, amongst other things, limit taxes to one percent of the market value of property. A fourth is Chapter 24 of the statutes enacted by the 1977/78 Legislature which would limit increases in property taxes and would provide for residential property to be taxed at 30 percent less than other properties, provided that Proposition 8 on the June 6, 1978 ballot (which would permit residential property to be taxed at a different level) passes and Proposition 13 fails to pass or is subsequently overturned in court.

The City of Monrovia, the fourth oldest city in Los Angeles County, is located in the extreme northern portion of the San Gabriel Valley, 20 miles northeast of the Los Angeles civic center. The topography of the City's 13.75 square miles varies between broad stretches of relatively flat land and foothills at the base of the San Gabriel Mountains. The City's January, 1977 population was estimated at 29,600 by the State Department of Finance.

Monrovia is a general law city which operates under the council-manager form of government. All City functions are carried out under the direction of the City Manager who is appointed by the five-member City Council.

Development within the City's boundaries consists of residential neighborhoods which contrast sharply according to socio-economic characteristics, commercial establishments and a substantial industrial base.

The City is traversed by U.S. Highway 66, the Foothill Freeway (State Route 210) and the main line of the Atchison, Topeka & Santa Fe Railroad. The Foothill Freeway links the City directly to the Los Angeles-Orange County freeway network.

THE BONDS

The following statements concerning the resolution providing for the issuance of the bonds and the Official Notice of Sale are summaries of certain provisions of those documents. They do not purport to be complete and are qualified in their entirety by reference to the documents, copies of which accompany this official statement as originally distributed.

Authority For Issuance

The \$7,900,000 of Monrovia Redevelopment Agency 1978 Project Area No. 1 Tax Allocation Bonds, currently being offered for sale, were authorized pursuant to a resolution of the Monrovia Redevelopment Agency, adopted April 11, 1978. The bonds will be issued under the provisions of the Community Redevelopment Law, commencing with Section 33000 of the California Health and Safety Code.

Sale of Bonds

Bids for the purchase of the bonds will be received by the Secretary of the Monrovia Redevelopment Agency until 2:00 P.M., Tuesday, April 25, 1978 at the office of the City Clerk of the City of Monrovia, City Hall, 415 South Ivy Avenue, Monrovia, California 91016. Details as to the terms of sale are included with the Official Notice of Sale, adopted April 11, 1978, a copy of which is included with this official statement as originally distributed.

Description of Bonds

The \$7,900,000 of Project Area No. 1 1978 Tax Allocation Bonds will be dated May 1, 1978 and will be initially issued as coupon bonds in denominations of \$5,000 each numbered 1 through 1580. The bonds will mature on May 1 of the years 1979 through 1998 in the amounts shown in the accompanying Schedule of Maturities.

SCHEDULE OF MATURITIES

Year	Amount	Year	Amount
1979	\$170,000	1989	\$375,000
1980	170,000	1990	405,000
1981	200,000	1991	435,000
1982	220,000	1992	470,000
1983	235,000	1993	510,000
1984	255,000	1994	550,000
1985	275,000	1995	595,000
1986	295,000	1996	640,000
1987	320,000	1997	690,000
1988	345,000	1998	745,000

Interest on the bonds will be due May 1 and November 1 of each year, commencing November 1, 1978.

Both interest and principal are payable at or by the Fiscal Agent, Security Pacific National Bank, Los Angeles, California, or at paying agents of the Agency in Chicago, Illinois or New York City, New York.

Redemption Provisions

The bonds maturing on or before May 1, 1984, are not subject to redemption prior to maturity. The bonds maturing on or after May 1, 1985 are subject to call for redemption, in inverse order of maturity and by lot within a single maturity on any interest payment date beginning May 1, 1984. The bonds are redeemable at par, plus accrued interest and a premium equal to one-quarter of one percent for each year and intervening fraction of a year from the redemption date to the maturity date of the bond.

Notice of redemption is to be published once at least 30 but no more than 60 days before the redemption date in a financial journal circulated in New York City and is to be mailed to all holders of registered bonds to be called for redemption.

Registration

The bonds will be initially issued as coupon bonds in denominations of \$5,000 each. Thereafter coupon bonds may be exchanged for registered bonds of the same maturity in denominations of \$5,000 or any whole number multiple of \$5,000 and registered bonds may be exchanged for coupon bonds.

Legality for Investment in California

Section 33663 of the Community Redevelopment Law provides that bonds of a redevelopment agency are legal investments for all banks, trust companies, savings banks, building and loan associations, insurance companies, political subdivisions and trust funds and that the bonds are eligible to secure public deposits in California.

The Superintendent of Banks of the State of California has previously ruled that bonds of a redevelopment agency are legal investments in California for savings banks. As such, the bonds would also be legal investments for all trust funds, and for the

funds of all insurance companies, commercial banks, trust companies, and any public or private funds which may be invested in county, municipal, or school district bonds. The bonds may be deposited as security for the performance of any act whenever the bonds of any county or municipality may be so deposited, and may also be used as security for the deposit of public moneys in banks in the state.

Legal Opinion

The unqualified legal opinion of Orrick, Herrington, Rowley & Sutcliffe, San Francisco, California, bond counsel to the Monrovia Redevelopment Agency in connection with the 1978 Project Area No. 1 Tax Allocation Bonds, will be furnished without cost to the original purchasers of the bonds. A copy of the legal opinion, certified by the official of the Agency in whose office the original is filed, will be printed on each bond at the expense of the Agency.

Tax Exemption Status

In the opinion of bond counsel the interest on the bonds is exempt from Federal income taxes and from State of California personal income taxes under existing Federal and State laws, regulations and court decisions.

Certificate Concerning Official Statement

At the time of payment for and delivery of the bonds, the Agency will furnish the successful bidder a certificate, signed by appropriate officers of the Agency and the City of Monrovia, acting in their official capacity, to the effect that to the best of their knowledge and belief, and after reasonable investigation, (a) neither the official statement nor any amendment or supplement contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; (b) since the date of the official statement no event has occurred which should have been set forth in an amendment or supplement to the official statement which has not been set forth in such an amendment or supplement; nor (c) has there been any material adverse change in the operation or financial affairs of the Agency or the City since the date of such official statement.

Other Closing Documents

In addition to the opinion of Bond Counsel and the Certificate Concerning the Official Statement described above, the Agency will, at the time of delivery of the bonds, furnish the purchaser the following documents, all to be dated as of the date of delivery:

1. *Arbitrage Certificate.* A certificate of a responsible officer of the Agency that, on the basis of the facts and circumstances in effect at the time of delivery of the bonds, it is not expected that the proceeds of the bonds will be used in a manner that will cause the bonds to be arbitrage bonds.
2. *No Litigation Certificate.* A certificate of a responsible officer of the Agency that there is no litigation threatened or pending affecting the validity of the bonds.
3. *Signature Certificates.* Certificates of the respective officers and representatives of the Agency showing that they have signed the bonds by manual or facsimile signature, and that they were duly authorized to execute the same.
4. *Treasurer's Receipt.* The receipt of the Treasurer of the Agency showing that the purchase price of the bonds, including accrued interest to the date of delivery (if any), has been received by the Agency.

Purpose

The proceeds from the sale of the bonds will be used together with other funds of the Agency, to pay at maturity or redeem the \$1,110,000 of 1977 Project Area No. 1 Tax Allocation Bonds, including the \$1,812.50 of premiums applicable upon redemption of the \$480,000 of bonds coming due in 1981 and 1982, to finance the acquisition and clearing of additional lands within the project area, to establish a reserve fund as described below and to meet the cost of issuing the bonds. Further details of the redevelopment program are set forth in the section of this official statement entitled "The Project".

Security

Bond principal and interest are payable from, and secured by, an exclusive pledge of the tax revenues received by the Agency, of the money in the Reserve Account, described below, and of the interest earned from the deposit and investment of

money in the funds created pursuant to the resolution providing for the issuance of the bonds. Bond principal and interest may also be met with any other funds the Agency may have available for the purpose.

The tax revenues will be derived by the Agency from any increases in the assessed valuation of Project Area No. 1 in the following manner.

Under the California Community Redevelopment Law and the Redevelopment Plan, taxes levied by any taxing agency on taxable real property in the project area will be divided as follows:

1. *Assessment Base* — Each year commencing with the 1974/75 fiscal year, each taxing agency which receives ad valorem taxes from the Project Area has been entitled to receive the amount calculated by applying its then current tax rate to the amount of assessed valuation in the Project Area up to the amount which was shown on the assessment roll last equalized before the effective date of the ordinance approving the Redevelopment Plan (in this case, the 1973/74 tax roll).
2. *Tax Increment* — Commencing with the 1974/75 fiscal year, the Redevelopment Agency has received the amount calculated by applying the then current tax rates of all taxing agencies to the amount of any increase in assessed valuations over that shown on the 1973/74 equalized assessment roll for the Redevelopment Project Area. This amount is referred to in the official statement as the tax increment or as tax increment revenues, or tax revenues. The first tax increment of the Project Area No. 1 occurred in the 1974/75 fiscal year.

The bonds are special obligations of the Redevelopment Agency. They are not a debt of the City of Monrovia, the State of California or any political subdivision of the State. Neither the City, the State, or any of its subdivisions are liable for payment of the bonds.

The Agency does not have the power to tax directly, only to receive the tax increment described above. Accordingly, any reduction in tax rates, whether as a result of new statutes, Constitutional amendment or the provision of additional sources of revenues to taxing agencies which would reduce the need for tax revenues, or any increases in exemptions for the type of property to be located in the Project Area which are not offset by funds from other sources, would have the effect of reducing the Agency's tax revenues.

Existing Tax Limitations and Exemptions

Division 1, Part 4, Chapter 3 of the Revenue and Taxation Code of the State of California (commencing with Section 2201) limits the tax rate which political subdivisions of the State may levy for purposes other than paying voted general obligation debts, employee retirement costs and certain other obligations, to the rates levied in either 1971/72 or 1972/73, whichever is higher, unless an increase in the tax rate is approved at an election, provided that the tax rate may be increased proportionately to the amounts by which increases in the population and/or the Consumer Price Index exceed the rate of increase in the assessed valuation.

Certain exemptions from property taxes have been granted to specific classes of property located in California. Revenues lost by local taxing agencies from two of these exemptions, the homeowners' property tax exemption and the business inventories exemption, are reimbursed by the State and are allocated to eligible redevelopment agencies in the same manner as locally collected taxes. Revenues lost as a result of other types of exemptions are not reimbursed, but assessed valuations of such exempt property are not reflected in either the frozen base roll or subsequent years' rolls.

There is no assurance that additional tax rate limitations or exemptions will not be approved, nor is there any assurance that revenues lost will continue to be reimbursed to local taxing agencies or allocated to redevelopment agencies. To the extent that such limitations or exemptions are approved, and reimbursement and allocation of lost revenues are not made, tax revenues to be received by the Agency in the future could be reduced. Attention is invited to the following subsection of this official statement entitled "Potential for Future Property Tax Limitations."

The extent to which school districts in particular will continue to levy local property taxes in the future may be affected by the December 30, 1976 decision of the Supreme Court of California in the case of *Serrano vs. Priest*. In that decision the State Supreme Court affirmed a judgment of the Superior Court of California for the County of Los Angeles, holding the California system of financing public elementary

and high schools, based on ad valorem taxation, invalid under the California Constitution.

The affirmed Judgment of the Superior Court also provides: (1) that the judgment is not intended to invalidate, and shall not be construed as invalidating in any way, any past acts constituting the operation of the school financing system; (2) that the existing school financing system shall continue to operate for a reasonable length of time (but in no event later than September 1980) so that a constitutional system can be designed, enacted into law, and placed into operation; (3) that any redesign of the school financing system which provides for elimination of unconstitutional features on a gradual basis must be such that the redesigned school financing system will be fully constitutional no later than six years from date of entry of the judgment, and that otherwise there will be a denial to the plaintiffs of their constitutional rights for an unreasonable length of time; and (4) that the Trial Court is retaining jurisdiction so that any of the parties may apply for appropriate relief in the event that relevant circumstances develop, such as a failure by the legislative and executive branches to take the necessary steps to design, enact into law, and place into operation, within a reasonable time from entry of the judgment, a fully constitutional system.

The State Legislature has adopted legislation designed to bring the school finance system into substantial compliance with the *Serrano* decision. The bill provides for various forms of State assistance to local school districts, to be allocated on the basis of variations in assessed valuations between the individual districts. The result will be to reduce (but not eliminate) the need for revenues from ad valorem taxes, especially in those districts having a relatively low level of assessed valuation per pupil.

To the extent that this decision, and any future legislative or judicial action required to implement or enforce this decision, may limit the ability of or reduce the need for school districts to continue to levy ad valorem property taxes for the support of education, tax allocations will be reduced, adversely affecting the security of the bonds. At present, the possible effect on the taxing power of or the amount of taxes that will be levied by any given school district cannot be foreseen.

The components of the tax rate levied in the project area for the 1977/78 fiscal year (including school district taxes) are shown in Table 3.

Potential for Future Property Tax Limitations

A proposed initiative measure entitled "Tax Limitation, Initiative Constitutional Amendment" has qualified as Proposition 13 on the ballot at the June 6, 1978 statewide election.

The office of the Attorney General has provided the following summary of the measure:

"TAX LIMITATION. INITIATIVE CONSTITUTIONAL AMENDMENT. Limits ad valorem taxes on real property to 1% of value except to pay indebtedness previously approved by voters. Establishes 1975-76 assessed valuation base value for property tax purposes. Limits annual increases in value. Provides for reassessment after sale, transfer, or construction. Requires $\frac{2}{3}$ vote of Legislature to enact any change in state taxes designed to increase revenues. Prohibits imposition by state of new ad valorem, sales, or transaction taxes on real property. Authorizes imposition of special taxes by local government (except on real property) by $\frac{2}{3}$ vote of qualified electors. Financial impact: Commencing with fiscal year beginning July 1, 1978, would result in annual losses of local government property tax revenues (approximately \$7 billion in 1978/79 fiscal year), reduction in annual state costs (approximately \$600 million in 1978-79 fiscal year) and restriction on future ability of local governments to finance capital construction by sale of general obligation bonds."

The Agency can neither predict whether or not the Initiative will be approved by the voters nor whether or not the validity of the Initiative will, if thereafter challenged, be upheld, in whole or in part, by the courts. However, if the measure were to be approved by the voters and upheld by the courts, tax rates of the various public entities which levy taxes in the Project Area would be substantially reduced, and future increases in the assessed valuation of property in the Project Area attributable to inflation of property values (as opposed to increases in assessed valuation attributable to new construction) would be limited. Thus, the amount of the tax allocations otherwise potentially available to the Agency would be reduced, and the security of the Bonds would be adversely affected.

Chapter 24 of the Statutes of the current 1977/78 regular session of the California Legislature provides,

among other things, for the taxation of owner-occupied dwellings at a different rate from that applicable to other taxable property and revises the method of computing the maximum property tax rates which may be levied on property of all types by local agencies. Under the Act, tax rates in any future fiscal year are limited so that revenues derived from "common property" will not exceed revenues derived from such property in the immediately preceding fiscal year by more than an inflation factor. "Common property" is generally defined as real property taxable in the current and preceding fiscal years which is not in a redevelopment project area subject to tax allocation financing, and which, if not owner-occupied, has not increased in assessed valuation by more than 50 percent during both years. These maximum tax rates are subject to increases which may be approved by a majority vote of the electors within a specific governmental agency. The Act also provides for a minimum reduction of 30 percent in the tax rate applicable to owner-occupied dwellings, and for reimbursement to local taxing agencies of the full amount of the revenue lost as a consequence of this reduction.

By its terms, the Act will become operative only if Proposition 8 on the June 6, 1978 State ballot, which would amend the State Constitution to permit taxation of owner-occupied dwellings at a different rate than that applicable to other properties, is approved by the electorate and if Proposition 13, described above, is rejected by the voters at the June 6, 1978 election or is declared unconstitutional by the courts. Due to these contingencies the Agency cannot predict whether the bill will become constitutional. If it does become operative, future increases in the tax increment would be limited to those resulting from local agency tax rate increases permitted as a result of inflation and/or voter approval and increased assessed valuations in the project area. Furthermore, tax increment revenues could be limited or decreased if reimbursements to local taxing agencies for revenues lost due to the 30 percent reduction in tax rates for owner-occupied dwellings are not treated as tax revenues allocable to redevelopment agencies. However, an opinion of the Attorney General of the State of California — 46 OPS ATTY GEN 464 (NO. CU 73/117 October 25, 1973) — states that reimbursements for property taxes lost as a result of similar homeowners' and business inventory tax exemptions are to be treated as tax revenues.

It may be noted that Project Area No. 1 is largely occupied by commercial, industrial and multiple-dwelling structures and the Agency's policy is to acquire and remove the remaining single-family residential units within the project area.

On August 22, 1977, a lawsuit (*McNutt et al. v. City of Los Angeles et al.*) was filed in the Superior Court of California for the County of Los Angeles against fifteen Southern California cities, their redevelopment agencies and the Los Angeles County Auditor-Controller. The City of Monrovia and the Monrovia Redevelopment Agency are not named as defendants.

The complaint alleges that the provisions of the Community Redevelopment Law authorizing the allocation of that portion of the property taxes derived from a redevelopment project area representing tax-increment funds is invalid under the Constitutions of California and the United States. The complaint seeks a declaration that the statutory basis for tax-increment financing is unconstitutional and an injunction preventing any payment of tax-increment funds to defendant agencies.

The outcome of this litigation and any resulting effect upon the allocation of tax-increment funds derived from a redevelopment project area for the payment of debt service on tax allocation bonds outstanding at the time of the final decision are not determinable at this time. However, to the extent that any future decision in the case may limit or prohibit the current method of allocation of such tax-increment funds and construe such limitation or prohibition as applicable to previously issued bonds, the security for the bonds would be adversely affected or substantially eliminated.

Creation of Funds

The resolution providing for the issuance of the bonds requires the establishment and maintenance of the following funds and accounts, which are described in the following sections of this Official Statement:

1. Escrow Fund
2. Special Fund
 - a. Bond Interest Account
 - b. Bond Principal Account
 - c. Reserve Account
 - d. Surplus Account
3. Redevelopment Fund

Disposition of Bond Proceeds

The resolution provides that all proceeds from the sale of the refunding bonds shall be paid to the Fiscal Agent for deposit as follows:

1. *Escrow Fund.* At the time of the delivery of the bonds to the initial purchaser the Fiscal Agent shall transfer to the Escrow Fund the balance in the Special Fund established by the terms of the resolution providing for the issuance of the 1977 Bonds, which are to be refunded. The Fiscal Agent shall also deposit in the Escrow Fund, from the proceeds of the 1978 Bonds, an amount which an independent certified public accountant shall state is sufficient, together with the interest to be received on Federal securities to be purchased at the time of delivery of the 1978 bonds with the money in the Escrow Fund to pay the costs of paying at maturity or redeeming the \$1,110,000 of 1977 Bonds on June 1, 1980 (including the \$1,812.50 of premiums payable upon redemption) and the interest coming due on such bonds on or before the redemption date.

2. *Special Fund.* The following amounts will be placed in the Special Fund for deposit in the accounts shown:

A. *Bond Interest Account.* The premium and accrued interest (if any) received from the purchaser at the time of the delivery of the bonds together with the sum required to bring the balance in the account to an amount equal to the interest coming due on the 1978 Bonds on October 1, 1978 will be placed in the Special Fund for deposit in the Bond Interest Account.

B. *Reserve Account.* An amount equal to the maximum annual interest on the bonds will be placed in the Special Fund for deposit in the Reserve Account.

3. *Redevelopment Fund.* The balance of the bond proceeds will be transferred by the Fiscal Agent to the Treasurer of the Agency for deposit in the Redevelopment Fund.

Deposit and Application of Revenues

All tax revenues of the Agency and monies in the Reserve Account are pledged to the payment of the bonds. Additionally, interest earned on investments and deposits of monies held in the Special Fund will be available to meet debt service, and any money in the Redevelopment Fund may be

transferred by the Agency to the Fiscal Agent for deposit in the Special Fund. Money in the Fund will be used as follows:

1. *Principal Account.* The Fiscal Agent will place in the Principal Account monies to pay the principal coming due on the next April 1.
2. *Interest Account.* On or before April 30 of each year, commencing April 30, 1979, the Fiscal Agent will place in the Interest Account an amount which together with the balance then on hand in the Account will be equal to the interest coming due on the next May 1, less the amount by which the minimum Reserve Account balance will be reduced as a result of applying the amount in the Principal Account to the payment of the principal of the bonds coming due on the next May 1. On or before October 31 of each year, commencing October 31, 1979, the Fiscal Agent will place in the Interest Account an amount which together with the balance then on hand in the Account will be equal to the interest coming due on the following November 1.
3. *Reserve Account.* Thereafter, the Fiscal Agent will transfer to the Reserve Account the amount, if any, required to bring the balance in the Account to an amount equal to the maximum annual interest on the bonds. Money in the Account may be withdrawn solely for the purpose of replenishing any deficiency in the Interest or Principal Accounts, except that any balance in the Account in excess of the minimum Reserve Account balance shall be transferred to the Special Fund.
4. *Surplus.* After making the required transfers to the Principal Account, the Interest Account and the Reserve Account, the Fiscal Agent will transfer all or a portion of the balance to the Agency to be used for any legal purpose of the Agency, including the purchase or redemption of bonds. The Agency intends to use such surplus to reimburse the City of Monrovia for funds advanced to the Agency or expended by the City for purposes beneficial to the redevelopment project. Any remaining balance may be used to purchase or redeem bonds.

Additional Bonds

The Agency may issue additional parity bonds to meet Redevelopment Project costs, subject to the following conditions:

1. The Agency is in compliance with all covenants set forth in the resolution providing for the issuance of these bonds.
2. The taxes eligible for allocation as shown on the last equalized assessment roll, less a percentage equal to the delinquency rate of taxes in the Project Area during the prior fiscal year, plus, at the option of the Agency, the estimated taxes eligible for allocation based on current tax rates, from the estimated assessed valuation of improvements then under construction in the Project Area or completed within the Project Area but not yet on the tax rolls, including the estimated increase in the assessed valuations of lands underlying such improvements, as shown by an opinion of the Los Angeles County Auditor-Controller and/or Assessor, or of an independent MAI appraiser, less a percentage equal to the delinquency rate of taxes in the Project Area for the prior fiscal year, shall be at least equal to 1.35 times the maximum combined annual bond service on the outstanding bonds and the additional bonds.
3. There shall be placed in the Special Fund, from the proceeds of the additional bonds, or from the Redevelopment Fund, for deposit in the Interest Account, an amount which, together with the balance in the Account plus the amount of Tax Revenues to become available for deposit in the Interest Account before the date of the first interest payment on the additional bonds (as shown by a certificate of the Los Angeles County Auditor-Controller or an opinion of an independent certified public accountant), shall be equal to the first interest payment on the additional bonds.
4. The Reserve Account will be increased to an amount equal to the maximum annual interest on the outstanding bonds and the additional bonds from bond proceeds.
5. Interest on the additional bonds will be payable on May 1 and November 1 and principal will mature May 1.
6. The additional bonds may not be subject to call for redemption prior to May 1, 1984.
7. The Agency shall have received all required approvals of any governmental authority having jurisdiction over the Additional Bonds or their terms.

The Agency may also issue short term notes, payable no later than one year from their date, out of the tax revenues to be received in that one year

period, for the purpose of replenishing the minimum reserve fund balances.

Refunding Bonds

Existing State law provides that refunding bonds secured by Tax Revenues derived from Project Area No. 1 may be issued for the purpose of refunding all or any series of the bonds then outstanding.

Deposit and Investment of Funds

All moneys held by the Fiscal Agent in the Special Fund and the Reserve Account shall be invested in securities as described below, or held in time or demand deposits in any bank or trust company authorized to accept deposits of public funds.

1. *Special Fund.* Monies in the Special Fund (including the Principal, Interest and Reserve Accounts) may, and upon written request of the Agency shall, be invested by the Fiscal Agent in Federal securities.

Securities purchased with monies in the Principal and Interest Accounts shall mature on or before the date the proceeds shall be needed to pay bond principal and interest, respectively.

Securities purchased with monies in the Reserve Account shall mature on or before the dates the monies are scheduled to be paid out or transferred to another fund or account.

2. *Redevelopment Fund.* Money in the Redevelopment Fund may be invested in any securities which are legal investments for the Agency.

Earnings realized from the investment of moneys in the Special Fund, including the Principal Account, the Interest Account and the Reserve Account, including gains realized upon the sale or redemption of such investments, shall be credited to such fund or account. Any loss resulting from the sale or redemption of such investments will be charged to the fund or accounts from which moneys were derived to make the investments.

For the purpose of determining at any given time the balance in the Reserve Account, any investment constituting a part of the Account shall be valued at the estimated market value of such investment.

Moreover, the Agency covenants in the bond resolution not to cause proceeds from the sale of

the bonds to be invested in such a manner as to cause the bonds to be classified as arbitrage bonds.

Other Covenants

Under the resolution providing for the issuance of the bonds the Agency covenants:

1. To punctually pay bond interest and principal and to abide by all other provisions of the resolution;
2. Not to extend or agree to an extension of time for the payment of any interest coupon. (The covenant provides that in case of default any coupon so extended will have no rights under the resolution until all other coupons and bonds have been paid.);
3. Not to encumber or place a senior or equal lien on the tax revenues;
4. To manage and keep insured all of its properties in a business-like manner;
5. To pay or contest in good faith all claims for labor, materials and supplies which might become a lien on the tax revenues or any property of the Agency or which might otherwise impair the security of the bonds;
6. To keep proper accounts and records and to file with the Fiscal Agent, within 120 days after the close of each fiscal year, financial statements for the fiscal year, audited by an independent certified public accountant;
7. To protect the security of the bonds and the rights of the bondholders and to defend them against any claims;
8. To pay or contest in good faith all taxes, assessments or other governmental charges on the Agency, its tax revenues or its properties;
9. To complete the redevelopment project with all practical dispatch and in conformity with the redevelopment plan;
10. To make provision for the collection of taxes or in-lieu payments equal to the taxes which would have been payable on any property leased by the Agency if that property had been privately owned.
11. Not to dispose of more than ten percent of real property in the redevelopment project area for public use which would make it tax exempt (except for land now scheduled for public use in the redevelopment plan) unless:

(i) An independent real estate appraiser and financing consultant report, respectively, that the disposition would not diminish the tax revenues and would not materially impair the security of the bonds, or

(ii) The purchaser agrees to pay to the Fiscal Agent, for deposit in the Special Fund, an amount equal to the taxes which would be payable if the property were taxable.

Remedies Upon Default

The bond resolution provides that any of the following shall constitute an event of default:

1. Failure to punctually pay interest within 30 days of an interest payment date or principal on the due date;
2. Failure by the Agency for a period of 30 days to observe any of the terms of the resolution;
3. If the Agency files a petition in bankruptcy under Federal law, or if a court shall approve a petition seeking reorganization under Federal bankruptcy, or if a court shall assume custody of the Agency or its property under any law for the relief of debtors.

In any such event of default the resolution provides that either the Fiscal Agent or the holders of 60 percent of the outstanding bonds may declare all of the bond principal and accrued interest immediately due and payable. If such declaration of acceleration is made the monies in the Special Fund (including the Interest, Principal and Reserve Ac-

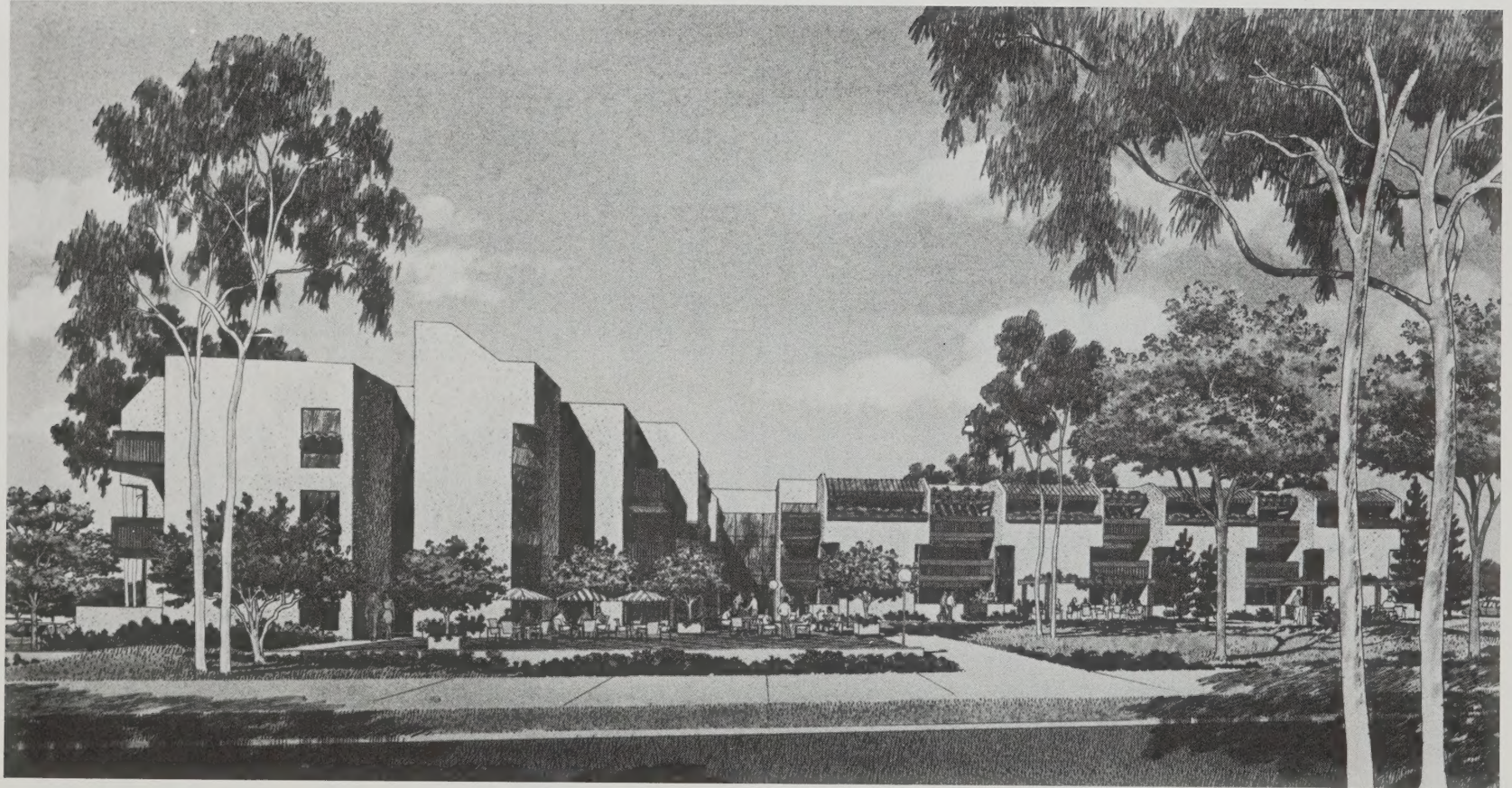
counts), and any Tax Revenues received will be applied as follows:

1. First, to pay the Fiscal Agent or the bondholders the costs of making the declaration of acceleration.
2. Next, to the payment of principal and interest together with interest at the rate of eight percent on any overdue installments of interest, provided that if the money available is not sufficient to pay all principal and interest it is to be pro rated against all outstanding amounts.

Amendment of the Resolution

The bond resolution may be amended with the consent of the owners of at least 60 percent of the outstanding bonds (excluding bonds owned by the Agency, or the City, except for bonds held by pension funds) provided that no such amendment shall reduce the time for, or amount of, payment of principal or interest without the consent of the affected bondholder; create a lien on the Tax Revenues which is equal or superior to the lien of the bonds; reduce the percentage of bonds required to approve amendments to the resolution; or modify the rights or obligations of the Fiscal Agent or any paying agent without their consent.

The Agency may, without the consent of the bondholders, amend the resolution to add covenants or to restrict the Agency's rights, to cure ambiguities or other defects, by provisions not adversely affecting the interests of the bondholders, or to provide for the issuance of additional bonds in accordance with the provisions of the resolution.



Senior citizens' housing being constructed in the Redevelopment Project Area by Goldrich Kest & Associates

THE REDEVELOPMENT AGENCY

The Monrovia Redevelopment Agency was created under provisions of Ordinance No. 69-1 of the City Council of the City of Monrovia, adopted March 4, 1969, and pursuant to the Community Redevelopment Law of the State of California commencing with Section 33000 of the Health and Safety Code.

The City Council acts as the governing board of the Agency.

Governing Body

Following are brief descriptions of the members of City Council and the Agency's governing board.

Chairwoman Patricia Ostyre — Chairwoman Ostyre is also Mayor of the City of Monrovia. She is a homemaker and the mother of seven children. She was originally elected to the City Council (and appointed a member of the Agency governing board) in 1974. In 1978 she became the first woman mayor of the City and also the first elected mayor. In previous years the City Council selected one of its members to serve as mayor.

Paul Stuart — Mr. Stuart, a realtor and a principal in his firm, was first elected to the City Council (and appointed a member of the Agency governing board) in 1976. He was appointed mayor pro tem and vice chairman of the Agency in 1978.

Robert Bartlett — Mr. Bartlett is a sales representative for a major interstate transportation firm. He was elected to the City Council in 1974 and was appointed as the City's first black mayor in 1976. He was reelected to a four-year term in 1978.

Ron Decker — Mr. Decker is serving his first term as City Councilman and a member of the Agency governing board, having been elected to the Council for a four-year term in 1976. He was in a family jewelry business until February of 1978, at which time the firm was sold.

Eric Faith — Mr. Faith is an attorney and a principal in his firm. He was first elected to a four-year term on the City Council in 1974 and served the first two years as mayor. He was reelected in 1978 and is now in his second four-year term on the Council.

Agency Staff

Following are brief descriptions of the principal members of the Agency staff.

Executive Director — Mr. Robert R. Ovrom serves as City Manager and Executive Director of the Agency. Mr. Ovrom holds a Bachelor's degree in political science from the University of California at Santa Barbara and a Master's degree from the University of Southern California. He was appointed City Manager in 1977. He joined the City in 1974 as Assistant City Manager and Executive Director of the Agency. Prior to that he served two and one-half years in the Peace Corps followed by four years as Assistant to the City Manager in Simi Valley, California.

Assistant Executive Director — Mr. Rodney L. Gunn, Deputy City Manager and Director of Community Development for the City, also serves as Assistant Executive Director of the Agency. Mr. Gunn joined the City in 1974 as the Director of Building and Planning and was appointed to his present positions in 1977. He formerly served six years as Advance Planning Administrator for the City of Newport Beach, California. He holds a Bachelor of Science degree in environmental design from California State Polytechnical University, Pomona.

Attorney — Mr. Henry Barbosa is both City Attorney and the attorney for the Agency. Mr. Barbosa holds both Bachelor of Arts and Juris Doctor degrees from the University of California, Los Angeles. He began his practice in 1974 as a Deputy District Attorney for Los Angeles County and after two years joined the firm of Martin & Flandrick. When that firm disbanded in 1976 he opened his own practice, which he still maintains.

Financial Officer — Mr. James E. Starbird, the City's Director of Administrative Services, is the Financial Officer of the Agency. He joined the City on March 9, 1977 as Assistant City Manager. On December 21, 1977 he was appointed Assistant City Manager/Director of Administrative Services. Before joining the City of Monrovia he served as Assistant to the City Manager for the City of Eureka, California. Mr. Starbird has a Bachelor of Arts degree from Humboldt State University in Business Administration with a major in accounting.

Secretary — The Secretary of the Agency is the City Clerk, Mr. Roy Kropke. Mr. Kropke was first elected to his post five years ago and is currently serving his third term in office.

Treasurer — Mrs. Hilda Herb serves as Treasurer of both the Agency and the City. Mrs. Herb was first elected City Treasurer six years ago. She is currently serving her third term in this post.

Project Area No. 1

The Redevelopment Agency has established one redevelopment project area, known as Project Area No. 1 (Central Redevelopment Project). It was established December 18, 1973, and covers 415 acres in the central business district of the City.

Assessed Valuation

Assessed valuations within Monrovia Redevelopment Project Area No. 1 are established by the Los Angeles County Assessor, except for utility property which is assessed by the State Board of Equalization. The State Board of Equalization has reported that the assessed valuations established by the Los Angeles County Assessor for the 1977/78 fiscal year averaged 21.3 percent of full value. Utility property is reportedly assessed at 25 percent of average statewide full values.

Table 1 shows the total 1977/78 assessed valuation of Project Area No. 1 before deduction of the homeowners' and business inventory exemptions (which do not result in any loss of revenue since an amount equivalent to the taxes which would otherwise be payable upon such exempt properties is made up by the State) and the amount of the increase over the frozen tax base.

Table 2 shows the incremental increases in the assessed valuation of Project Area No. 1 over the frozen tax base since it was established.

Tax Rates

Project Area No. 1 contains a total of 17 tax rate areas, two located within the Duarte Unified School District and the balance in the Monrovia Unified School District. Table 3 summarizes the 1977/78 tax rates levied within the two tax rate areas which are in the Duarte Unified School District and in 12 of the 15 tax rate areas in the Monrovia Unified School District. The total 1977/78 tax rates within the remaining three tax rate areas (which have a total 1977/78 assessed valuation of \$886,275) vary from \$13.5653 to \$14.0212 per \$100 assessed valuation. The only differences are in the sanitation and lighting maintenance district taxes.

Table 1**MONROVIA REDEVELOPMENT AGENCY****1977/78 Assessed Valuation of Project Area No. 1**

	Total Assessed Valuations	Less: Frozen Tax Base	Increase (Decrease) In Assessed Valuations
LOCAL SECURED			
Land	\$ 4,486,700	\$ 4,534,975	\$ (48,275)
Improvements	5,501,920	4,347,440	1,154,480
Personal Property	2,156,895	1,012,815	1,144,080
Exemptions ^①	(934,000)	(549,915)	(384,085)
Total	<u>\$11,211,515</u>	<u>\$ 9,345,315</u>	<u>\$ 1,866,200</u>
UTILITY			
Land	\$ 174,130	\$ 198,050	\$ (23,920)
Improvements	2,579,020	2,337,250	241,770
Personal Property	510,710	509,190	1,520
Total	<u>\$ 3,263,860</u>	<u>\$ 3,044,490</u>	<u>\$ 219,370</u>
UNSECURED			
Improvements	\$ 1,312,815	\$ 752,030	\$ 560,785
Personal Property	4,471,968	2,865,520	1,606,448
Exemptions ^①	(3,460)	—	(3,460)
Total	<u>\$ 5,781,323</u>	<u>\$ 3,617,550</u>	<u>\$ 2,163,773</u>
AGGREGATE			
Land	\$ 4,660,830	\$ 4,733,025	\$ (72,195)
Improvements	9,393,755	7,436,720	1,957,035
Personal Property	7,139,573	4,387,525	2,752,048
Exemptions ^①	(937,460)	(549,915)	(387,545)
Total	<u>\$20,256,698</u>	<u>\$16,007,355</u>	<u>\$ 4,249,343</u>

① Excluding homeowners' and business inventory exemptions which do not result in any loss of revenues since an amount equivalent to the taxes which would otherwise be due on such exempt values is paid by the State of California.

Source: Los Angeles County Auditor-Controller.

Table 2**MONROVIA REDEVELOPMENT AGENCY****Incremental Increase in Project Area No. 1 Assessed Valuations Since Formation**

Fiscal year:	1974/75	1975/76	1976/77	1977/78
LOCAL SECURED				
Land	\$ (18,900)	\$ (99,450)	\$ (342,500)	\$ (48,275)
Improvements	394,120	457,270	397,420	1,154,480
Personal Property	566,965	1,278,445	852,305	1,144,080
Exemptions ^①	(92,315)	(187,015)	(229,190)	(384,085)
Total	\$ 849,870	\$1,449,250	\$ 678,035	\$1,866,200
UTILITY				
Land	\$ 500	\$ 10,960	\$ 11,560	\$ (23,920)
Improvements	95,910	241,060	170,860	241,770
Personal Property	(93,420)	(55,870)	(47,420)	1,520
Total	\$ 2,990	\$ 196,150	\$ 135,000	\$ 219,370
UNSECURED				
Improvements	\$ 146,755	\$ 240,856	\$ 480,300	\$ 560,785
Personal Property	550,095	1,022,350	1,468,548	1,606,448
Exemptions ^①	—	(1,625)	(2,800)	(3,460)
Total	\$ 696,850	\$1,261,581	\$1,946,048	\$2,163,773
AGGREGATE				
Land	\$ (18,400)	\$ (88,490)	\$ (330,940)	\$ (72,195)
Improvements	636,785	939,186	1,048,580	1,957,035
Personal Property	1,023,640	2,244,925	2,273,433	2,752,048
Exemptions ^①	(92,315)	(188,640)	(231,990)	(387,545)
Total	\$1,549,710	\$2,906,981	\$2,759,083	\$4,249,343

① Excluding homeowners' and business inventory exemptions which do not result in any loss of revenue since an amount equal to the taxes which would otherwise be due on such exempt values is paid by the State of California.

Source: Los Angeles County Auditor-Controller.

Table 3

MONROVIA REDEVELOPMENT AGENCY

Typical 1977/78 Tax Rates Per \$100 Assessed Valuation in Project Area No. 1

Tax Rate Area:	3364	3392	6188, 6205 and 6250	6192, 6210 and 6251	6194, 6207 and 6252	6203, 6208 and 6211
City of Monrovia	\$ 2.1800	\$ 2.1800	\$ 2.1800	\$ 2.1800	\$ 2.1800	\$ 2.1800
Los Angeles County	4.2544	4.2544	4.2544	4.2544	4.2544	4.2544
County School Services	.0283	.0283	.0283	.0283	.0283	.0283
Handicapped Education	.2167	.2167	.2167	.2167	.2167	.2167
Duarte Unified School District						
Operations	5.6468	5.6468	—	—	—	—
Debt Service	.2273	.2273	—	—	—	—
Monrovia Unified School District						
Operations	—	—	4.8517	4.8517	4.8517	4.8517
Debt Service	—	—	.2044	.2044	.2044	.2044
Citrus Community College District ..	.6708	.6708	.6708	.6708	.6708	.6708
Los Angeles County Flood Control District	.3265	.3265	.3265	.3265	.3265	.3265
Metropolitan Water District of Southern California	.1680	.1680	.1680	.1680	.1680	.1680
Upper San Gabriel Valley Municipal Water District	.0100	.0100	.0100	.0100	.0100	.0100
County Sanitation District No. 15 ...	—	—	.2645 ^①	.2645 ^①	.2645 ^①	.2645 ^①
County Sanitation District No. 22 ...	.2504 ^①	.2504 ^①	—	—	—	—
Broadland Lighting District	.4543 ^②	—	—	—	—	—
Monrovia Consolidated Lighting Maintenance District	.8600 ^②	.8600 ^②	.5300 ^②	1.1200 ^②	—	.8600 ^②
Total	\$15.2935	\$14.8392	\$ 13.7053	\$ 14.2953	\$ 13.1753	\$ 14.0353
Assessed valuation	\$ 410	\$492,475	\$1,312,370	\$4,440,760	\$1,215,460	\$11,908,948

① Applicable to land and improvements only.

② Applicable to land only.

Source: Los Angeles County Auditor-Controller.

Tax Increment

Table 4 shows the tax increments receivable by the Agency from Project Area No. 1 before any allowance for delinquencies for the four fiscal years since the project area was established. No tax increments from the Duarte Unified School District are shown because the assessed valuation of the portion of Project Area No. 1 which is within that school district is below the 1973/74 base year.

Significant Accounting Policies

Tables 5 and 6, which follow, were abstracted from annual financial statements of the Agency audited by Booth and Booth, Certified Public Accountants, Pasadena, California.

Booth and Booth state that the financial statements present fairly the financial position of the Agency as of the end of each of the fiscal years

shown in conformity with generally accepted accounting principles.

The notes to the financial statements report that the Agency maintains its accounts and prepares its financial statements on the modified accrual basis method of accounting in conjunction with the balance fund principal of governmental accounting. Revenues are generally recorded upon receipt of remittances, but are also recorded for items that are material in amount, determinable and due prior to the balance sheet date. Expenditures are generally recorded when the disbursements are made, although appropriations are encumbered when a capital resource project is started, thereby restricting the use of the funds until the disbursements are made. Administrative expenditures common to the projects are allocated equally, unless specific identification by Project is possible.

The annual financial statements also include certain other notes setting forth information in addition

Table 4

MONROVIA REDEVELOPMENT AGENCY

Project Area No. 1 Tax Increment

Fiscal Year:	1974/75	1975/76	1976/77	1977/78
City of Monrovia	\$ 29,557.65	\$ 56,965.82	\$ 56,857.04	\$ 93,717.57
Los Angeles County	63,941.39	129,281.68	124,174.03	185,180.84
County School Services	2,577.14	10,202.60	11,424.67	13,198.91
Handicapped Education	875.10	1,866.09	2,285.01	3,875.19
Monrovia Unified School District				
Operations	69,522.80	204,158.56	193,168.59	247,076.18
Debt Service	4,909.26	11,993.57	10,721.74	11,677.12
Citrus Community College District	10,083.42	19,419.76	16,607.05	26,656.73
Monrovia Consolidated Lighting Maintenance Districts ..	4,202.11	526.40	6,768.91	3,145.47
Broadland Lighting District	—	.22	—	.57
Los Angeles County Flood Control District	1,978.86	3,229.01	2,582.65	6,078.86
County Sanitation District No. 15	1,737.20	4,258.92	4,743.82	7,980.27
County Sanitation District No. 22	—	4,724.40	7,194.63	—
Metropolitan Water District of Southern California	2,601.21	—	—	6,965.80
Upper San Gabriel Valley Municipal Water District ...	112.18	227.62	275.90	424.94
Totals	\$192,098.32	\$446,854.65	\$436,804.04	\$605,978.45

to that contained in Tables 5 and 6 and the applicable footnotes, which notes are an integral part of the financial statements. Copies of the statements are available upon request from the Executive Director of the Agency.

Revenues, Expenditures and Fund Balances

Table 5 shows the revenues and expenditures of the Agency since its formation, together with

changes in fund balances during the period, as shown in annual audit reports prepared by Booth and Booth.

Balance Sheets

Table 6 presents comparative balance sheets for the Agency as of June 30 of 1976 and 1977, as shown in reports of audit prepared for the City of Monrovia by Booth and Booth.

Table 5

MONROVIA REDEVELOPMENT AGENCY

Revenues, Expenditures and Fund Balances

Fiscal Year	1972/73	1973/74	1974/75	1975/76	1976/77
BEGINNING FUND BALANCE	\$ —	\$ 7,276	\$(28,022)	\$ 11,529	\$ 224,488
Adjustment for Loan Not Recorded	—	—	—	—	85,914
ADJUSTED BEGINNING BALANCE ...	\$ —	\$ 7,276	\$(28,022)	\$ 11,529	\$ 310,402
REVENUES					
Tax Increment	\$ —	\$ 10,737	\$182,212	\$441,248	\$ 425,277
Sale of Property	—	—	—	—	1,062,440
Project Resources	33,000	75,000	—	—	—
Revenue Sharing Funds	—	247,412	—	—	—
Rental	—	—	—	6,600	26,422
Bond Proceeds	—	—	—	—	1,112,864
Loan from City	—	—	—	—	607,500
Total Revenues	\$33,000	\$333,149	\$182,212	\$447,848	\$3,234,503
EXPENDITURES					
Personnel Costs	\$ —	\$ —	\$ —	\$ 11,529	\$ 13,642
Maintenance and Operations	25,724	46,035	23,747	31,295	69,242
Capital Outlay	—	247,412	85,914	192,065	1,904,327
Repayment of Loan to City	—	—	—	—	181,461
Total Expenditures	\$25,724	\$293,447	\$109,661	\$234,889	\$2,168,672
ADJUSTMENTS					
Loans Payable	\$ —	\$(75,000)	\$ —	\$ —	\$ —
Prior Year Adjustment	—	—	(33,000)	—	—
Total Adjustments	\$	\$(75,000)	\$(33,000)	\$	\$
RESERVES					
For Encumbrances	\$ —	\$ —	\$ —	\$ —	\$ 1,114
Projects	—	—	—	—	1,070,464
Low-Interest Loans	—	—	—	—	160,131
Total Reserves	\$ —	\$ —	\$ —	\$ —	\$1,231,709
ENDING FUND BALANCE	\$ 7,276	\$(28,022)	\$ 11,529	\$224,488	\$ 144,524

Table 6

MONROVIA REDEVELOPMENT AGENCY

Balance Sheets

Fiscal Year Ended June 30:	1976	1977
ASSETS		
CURRENT ASSETS		
Cash		
Unrestricted	\$319,737	\$1,055,732
Restricted	—	160,132 ^①
Accounts receivable	163	235,454
Amounts to be provided for bond issue — short term	—	200,000
Deposits in escrow	—	92,660
Total current assets	\$319,900	\$1,743,978
FIXED ASSETS		
Land	—	\$ 585,358 ^②
OTHER ASSETS		
Amounts to be provided for bond issue — long term	\$ —	\$ 910,000
Amounts to be provided for loans from City	—	500,000
Total other assets	\$ —	\$1,410,000
TOTAL ASSETS	\$319,900	\$3,739,336
LIABILITIES, RESERVES AND FUND BALANCE		
CURRENT LIABILITIES		
Accounts and payroll payable	\$ 9,498	\$ 1,998
Loans payable	85,914	500,000
Accrued interest payable	—	4,478
Trust deed payable	—	34,192 ^③
Due to City of Monrovia	—	127,076 ^④
Bonds payable within one year	—	200,000
Total current liabilities	\$ 95,412	\$ 867,744
LONG TERM LIABILITIES		
Bonds payable	\$ —	\$ 910,000
RESERVES AND FUND BALANCE		
Reserve for encumbrances	\$ —	\$1,071,578
Reserve for restricted cash	—	160,132 ^①
Investment in fixed assets	—	585,358 ^②
Unappropriated fund balance	224,488	144,524
Total reserves and fund balance	\$224,488	\$1,961,592
TOTAL LIABILITIES, RESERVES AND FUND BALANCE	\$319,900	\$3,739,336

① Restricted cash consists of \$2,864 premium and accrued interest received upon delivery of \$1,110,000 of 1977 Project Area No. 1 Tax Allocation Bonds; \$54,268 placed in Reserve Account from bond proceeds and \$103,000 on deposit with Crocker National Bank. The \$103,000 was segregated into three accounts: \$51,500 available for loans for remodeling of store fronts; \$46,350 set aside for loans outstanding, to be paid into the first account as loans are repaid, and \$5,150 which is a security deposit which cannot be used for loans and is forfeited in event of default.

② Total cost of land held for resale offset by sales price.

③ Paid off in July 1977.

④ Amount of City funds expended on behalf of Redevelopment Agency.

THE PROJECT

Rather than acquiring and clearing large tracts of land, as has been the practice of many redevelopment agencies, the Monrovia Redevelopment Agency has concentrated on acquiring, clearing and improving sites for individual buildings at the time construction of such buildings is ready to proceed.

The Agency's policy has been to obtain a commitment for construction of a building in the form of a participation agreement and then to acquire the site and simultaneously resell it to the other party to the agreement while retaining a temporary easement for the purpose of clearing the site and preparing it for development. In this way the Agency avoids both the removal of the property from the tax rolls and also the cash flow which would be required if the property were acquired and cleared prior to the time it was resold to a developer. However, in order to spur redevelopment, the Agency has agreed to accept a purchase price from the developers which is less than the cost of acquiring, clearing and preparing the building sites.

The Agency has treated this difference between its costs and the proceeds from the resale — called the write-down costs — as an investment to be recovered from the tax increment produced as a result of the new construction. To date it has been able to meet such write-down costs with its tax increment revenues and with advances from the City. However, it has determined that it is now necessary to issue the bonds currently being offered for sale to meet the costs of several new projects and to maintain adequate reserves for contingencies.

Table 7 lists the 28 projects in which the Agency has invested or made commitments to invest and indicates the projected tax increment from each.

Of the 28 projects, 13 have been completed, 7 are under construction, two have been sold to the developer, relocation of the former occupants has been completed at three, sites for two have been acquired and acquisition of one site has been approved by the Agency.

Budgeted Revenues and Expenditures

Table 8 summarizes the Agency's revised budget for the 1977/78 fiscal year. The budget reflects the sale of the bonds currently being offered and also three of the projects to be financed with the proceeds from the sale.



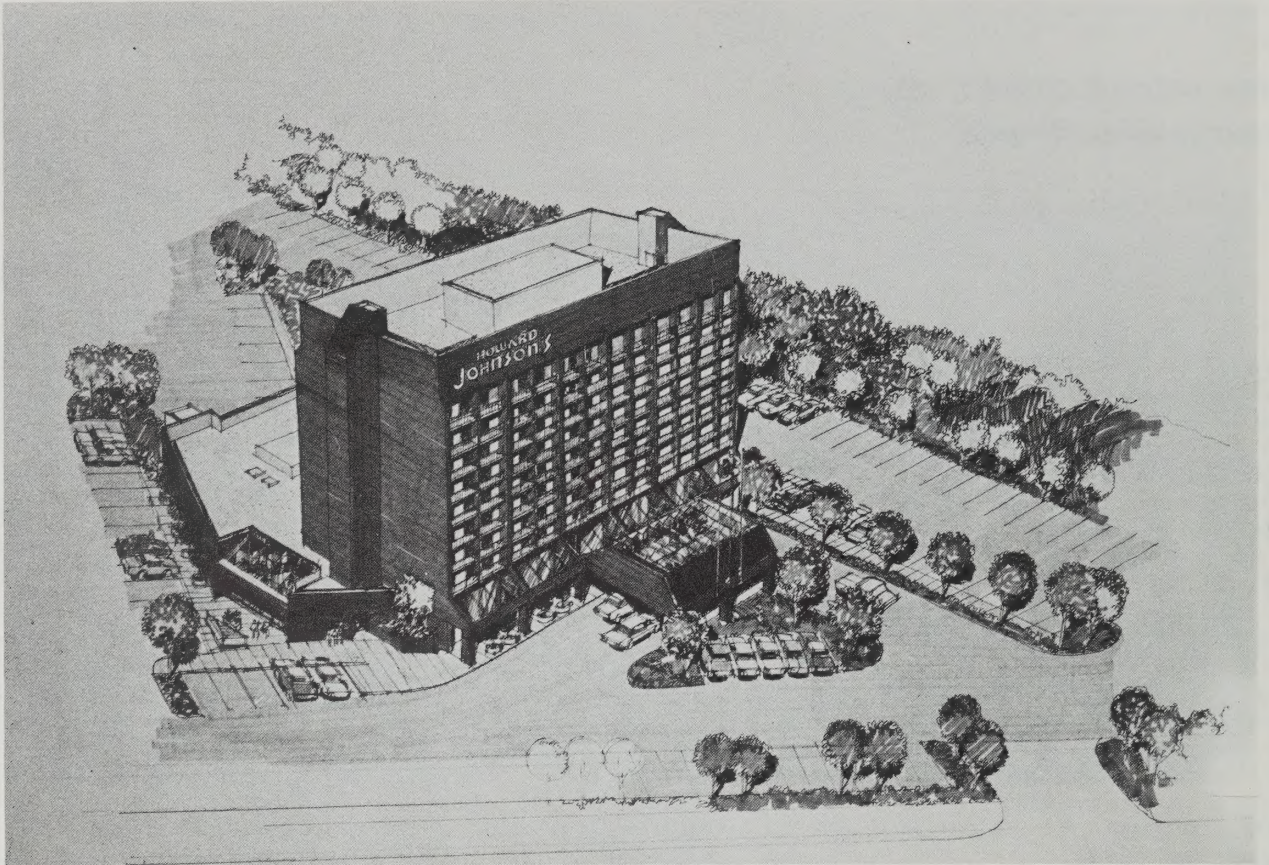
Two examples of industrial buildings under construction in Project Area No. 1



Table 7
MONROVIA REDEVELOPMENT AGENCY
Current and Completed Projects

	Estimated Assessed Valuations				1978/79 Tax Rate Per \$100 Assessed Valuation	Estimated Tax Increment
	Land ^①	Improvements ^②	Less: Existing	Net Increase		
Alken/ Scardino (restaurant)	\$ —	\$ 18,000.00	\$ —	\$ 18,000.00	\$13.1753 ^③	\$ 2,371.55
Big Yellow House (restaurant)	44,692.50	112,500.00	—	157,192.50	14.2953 ^④	21,211.14
Bontempo Apartments	—	48,000.00	1,175.00 ^⑤	46,825.00	13.1753 ^③	6,169.33
Bontempo Condominiums	—	400,000.00	30,300.00 ^⑤	369,700.00	13.1753 ^③	48,709.08
Brentwood Savings Association	—	131,250.00	28,200.00 ^⑤	103,050.00	13.1753 ^③	13,577.15
Coastal Roofing (industrial)	—	112,500.00	—	112,500.00	13.2612 ^③	14,918.85
Crown Heating (industrial)	6,000.00	20,250.00	7,000.00 ^⑥	19,250.00	14.0353 ^⑦	2,527.65
Foothill (auto service center)	—	2,125.00	—	2,125.00	13.1753	279.98
Foulger Ford I (auto dealership)	16,875.00	3,000.00	—	19,875.00	14.2953 ^④	2,807.59
Goldrich Kest I (senior citizens housing)	—	300,000.00	75,000.00 ^⑤	225,000.00	13.1753	29,644.43
Goldrich Kest II (senior citizens housing)	—	312,500.00	11,250.00 ^⑤	301,250.00	13.1753	39,690.59
Hans Herzig (auto dealership)	—	25,000.00	—	25,000.00	13.1753 ^③	3,293.83
Hoffman (auto dealership)	—	6,387.50	—	6,387.50	13.1753	841.57
Linwood Condominiums	—	650,000.00	16,125.00 ^⑤	633,875.00	13.1753	83,514.93
Kramer (retail convenience center) ..	—	31,250.00	—	31,250.00	13.1753 ^③	4,117.28
Kruse (industrial park)	—	187,500.00	—	187,500.00	13.1753 ^③	24,703.69
Malouf (auto dealership)	—	18,750.00	—	18,750.00	13.1753 ^③	2,470.37
Morrow/Howard Johnson (hotel) ..	56,250.00	750,000.00	26,550.00 ^⑧	779,700.00	13.1753	102,727.81
Ness (industrial)	49,606.00	271,455.00	—	321,061.00	14.2953 ^④	42,856.34
Ower Cabinets (industrial)	—	33,000.00	1,250.00 ^⑤	31,750.00	13.1753 ^③	4,183.16
Palmer I (industrial)	—	68,750.00	62,500.00 ^⑤	6,250.00	13.1753 ^③	823.46
Palmer II (industrial)	26,250.00	125,000.00	37,600.00 ^⑨	113,650.00	14.2953 ^④	15,025.81
Price Chevrolet (auto dealership) ..	—	2,500.00	—	2,500.00	13.1753 ^③	329.38
Ratch I and II (industrial)	23,217.50	187,500.00	7,615.00 ^⑩	203,102.50	14.0353 ^⑦	26,908.51
Ratch III (industrial)	22,573.50	62,500.00	—	85,073.50	14.0353 ^⑦	11,402.82
Spencer (commercial)	—	25,000.00	13,266.00 ^⑪	11,734.00	14.2953 ^④	1,683.13
J. D. Williams (retail convenience center)	—	112,500.00	31,150.00 ^⑤	81,350.00	13.1753 ^③	10,718.11
Winston Tire (tire dealership)	—	18,750.00	3,075.00 ^⑤	15,675.00	13.1753 ^③	2,065.23
Total	<u>\$245,464.50</u>	<u>\$4,035,967.50</u>	<u>\$352,056.00</u>	<u>\$3,929,376.00</u>		<u>\$519,572.77</u>

- ① Estimated at one quarter of land sale price.
 ② Estimated at one quarter of building permit value or estimated construction cost; contains no allowance for furniture and fixturation.
 ③ Excludes taxes on land only.
 ④ Includes \$1.1200 on land only.
 ⑤ Assessed valuation of existing improvements to be demolished.
 ⑥ Existing assessed valuation of land to be deducted from valuation based on sales price.
 ⑦ Includes \$0.8600 on land only.
 ⑧ Includes \$9,400 assessed valuation of improvements to be demolished plus \$17,150 existing assessed valuation of land to be deducted from sales price.
 ⑨ Includes \$16,000 assessed valuation of existing improvements to be demolished and \$21,600 existing assessed valuation of land to be deducted from valuation based on sales price.
 ⑩ Includes \$1,740 assessed valuation of existing improvements to be demolished and \$5,875 existing assessed valuation of land to be deducted from valuation based on sales price.
 ⑪ Reflects assessed valuation of land to be converted to public parking and removed from tax rolls.
 Source: Agency staff.



Architect's rendering of two committed projects of the Monrovia Redevelopment Agency



Table 8
MONROVIA REDEVELOPMENT AGENCY
1977/78 Budget

BEGINNING BALANCE		\$1,214,988
REVENUES		
Tax increment	\$ 594,908	
Sale of land	1,447,070	
Use of money and property	30,000	
Bond proceeds	5,863,695	
Miscellaneous	53,591	
Total revenues		7,989,264
PRIOR YEAR ENCUMBRANCES		1,114
Total available		\$9,205,366
EXPENDITURES		
Land acquisition and clearance	3,355,249	
Special projects	70,000	
Maintenance and operation	410,431	
Personnel	41,799	
Capital outlay	160	
Transfers	28,500	
Total expenditures		3,906,139
BALANCE AVAILABLE		\$5,299,227
ENCUMBRANCES		1,114
ENDING BALANCE		\$5,298,113

Proposed New Projects

The Agency plans to initiate 23 additional projects within the next six months. These consist of four auto dealerships, five commercial facilities, 12 industrial buildings, an office building and a school building.

Because some of these projects are still in the negotiation stage, their estimated costs must be kept confidential. However, Table 9 shows a summary provided by the Agency staff of the estimated total costs of the 23 projects and an estimate of the increase in assessed valuations which will result.

Although the school district building will not produce an increase in assessed valuation, it will make possible the redevelopment of an existing school district property. Furthermore, the school building will be located on a site already owned by the school district so no property will be removed from the tax roll for this project.

Table 9
MONROVIA REDEVELOPMENT AGENCY
Proposed New Projects

ESTIMATED PROJECT COSTS	
Land Acquisition	\$7,329,498
Relocation	871,500
Clearance	237,750
Offsite Improvements	405,000
Other	139,300
Total Project Costs	\$8,983,048
Less: Resale Price	3,056,750
Net Write-down Costs	\$5,926,298
ESTIMATED ADDITIONAL TAX INCREMENT	\$ 545,884

Estimated Financing Requirement

Table 10 shows the total estimated funds required by the Agency to refund its 1977 bonds and to finance the proposed new projects.

The Agency expects to meet its administrative expenses in future years with advances from the City. It is expected that these advances will be repaid from the tax increment revenues which will remain after meeting the debt service requirements of the bonds currently being offered for sale.

Estimated Annual Bond Service and Tax Increment Revenues

Table 11 shows projections of tax increment according to the years in which they are expected to be received.

Table 12 shows an estimate of annual bond service requirements.

Table 13 illustrates the coverage to debt service provided by the estimated assured increment and projected increment.

Table 10

MONROVIA REDEVELOPMENT AGENCY

Estimated Financing Requirement

Principal amount to be refunded	\$1,110,000.00
Premium	1,812.50
Interest to call date	100,593.75
Total refunding requirement	1,212,406.25
Less: Interest and principal on hand	227,133.75
Less: Interest on escrow fund	115,700.00
Less: Reserve Account	54,267.50
Net refunding requirement	815,305.00
Funded interest	316,000.00
Reserve	632,000.00
Discount	158,000.00
Costs of issuance	115,000.00
Balance for new projects	5,863,695.00
Total bond issue	\$7,900,000.00

Table 11
MONROVIA REDEVELOPMENT AGENCY
Estimated Tax Increment

Fiscal year:	1978/79	1979/80	1980/81
Alken/Scardino	\$ 2,372	\$ —	\$ —
Big Yellow House	—	21,211	—
Bontempo Apartments	—	6,169	—
Bontempo Condominiums	—	48,709	—
Brentwood Savings & Loan Association	—	13,577	—
Coastal Roofing	14,919	—	—
Crown Heating	2,528	—	—
Foothill	280	—	—
Foulger Ford	2,808	—	—
Goldrich Kest I	29,644	—	—
Goldrich Kest II	—	39,691	—
Hans Herzig	3,294	—	—
Hoffman	842	—	—
Linwood Condominiums	—	83,515	—
Kramer	4,117	—	—
Kruse	—	24,704	—
Malouf	2,470	—	—
Morrow/Howard Johnson	—	77,046	25,682
Ness	—	42,856	—
Ower Cabinets	—	4,183	—
Palmer I	823	—	—
Palmer II	—	15,026	—
Price Chevrolet	—	329	—
Ratch I and II	—	26,909	—
Ratch III	—	11,403	—
Spencer	1,683	—	—
J. D. Williams	—	10,718	—
Winston Tire	2,065	—	—
Total increment from committed projects ..	\$ 67,845	\$ 426,046	\$ 25,682
Prior year increment	605,978	673,823	1,099,869
Total increment from existing and committed projects	\$ 673,823	\$1,099,869	\$1,125,551
Increment projected from new projects	—	240,412	545,884
Total increment from existing, committed and projected projects	\$ 673,823	\$1,340,281	\$1,671,435

Table 12**MONROVIA REDEVELOPMENT AGENCY****Estimated Annual Bond Service**

Fiscal Year	Bonds Outstanding	Interest Estimated @ 8%	Principal Maturing	Total Bond Service
1978/79	\$7,900,000	\$ 316,000 ^①	\$ 170,000	\$ 486,000
1979/80	7,730,000	618,400	170,000	788,400
1980/81	7,560,000	604,800	200,000	804,800
1981/82	7,360,000	588,800	220,000	808,800
1982/83	7,140,000	571,200	235,000	806,200
1983/84	6,905,000	552,400	255,000	807,400
1984/85	6,650,000	532,000	275,000 ^②	807,000
1985/86	6,375,000	510,000	295,000 ^②	805,000
1986/87	6,080,000	486,400	320,000 ^②	806,400
1987/88	5,760,000	460,800	345,000 ^②	805,800
1988/89	5,415,000	433,200	375,000 ^②	808,200
1989/90	5,040,000	403,200	405,000 ^②	808,200
1990/91	4,635,000	370,800	435,000 ^②	805,800
1991/92	4,200,000	336,000	470,000 ^②	806,000
1992/93	3,730,000	298,400	510,000 ^②	808,400
1993/94	3,220,000	257,600	550,000 ^②	807,600
1994/95	2,670,000	213,600	595,000 ^②	808,600
1995/96	2,075,000	166,000	640,000 ^②	806,000
1996/97	1,435,000	114,800	690,000 ^②	804,800
1997/98	745,000	59,600	745,000 ^②	804,600
		<u>\$7,894,000</u>	<u>\$7,900,000</u>	<u>\$15,794,000</u>

① One half year's interest; balance paid from bond proceeds.

② Callable on and after May 1, 1984.

Table 13**MONROVIA REDEVELOPMENT AGENCY****Estimated Annual Debt Service and Coverage**

Fiscal Year	Total Debt Service	Estimated Increment From Existing and Committed Projects		Estimated Increment From Existing Committed and Projected Projects	
1978/79	\$ 486,000	\$ 673,823	1.386	\$ 673,823	1.386
1979/80	788,400	1,099,869	1.395	1,251,731	1.588
1980/81	804,800	1,340,281	1.665	1,671,610	2.077
1981/82	808,800	1,340,281	1.657	1,671,610	2.067
1982/83	806,200	1,340,281	1.662	1,671,610	2.073
1983/84	807,400	1,340,281	1.660	1,671,610	2.070
1984/85	807,000	1,340,281	1.661	1,671,610	2.071
1985/86	805,000	1,340,281	1.665	1,671,610	2.077
1986/87	806,400	1,340,281	1.662	1,671,610	2.073
1987/88	805,800	1,340,281	1.663	1,671,610	2.074
1988/89	808,200	1,340,281	1.658	1,671,610	2.068
1989/90	808,200	1,340,281	1.658	1,671,610	2.068
1990/91	805,800	1,340,281	1.663	1,671,610	2.074
1991/92	806,000	1,340,281	1.663	1,671,610	2.074
1992/93	808,400	1,340,281	1.658	1,671,610	2.068
1993/94	807,600	1,340,281	1.660	1,671,610	2.070
1994/95	808,600	1,340,281	1.658	1,671,610	2.067
1995/96	806,000	1,340,281	1.663	1,671,610	2.074
1996/97	804,800	1,340,281	1.665	1,671,610	2.077
1997/98	804,600	1,340,281	1.666	1,671,610	2.078
	<u>\$15,794,000</u>	<u>\$25,898,750</u>		<u>\$32,014,534</u>	



Aerial View of the City of Monrovia and Vicinity

THE CITY

The City of Monrovia, incorporated on December 15, 1887, is the fourth oldest city in Los Angeles County. The City is located in the extreme northern portion of the San Gabriel Valley, 20 miles northeast of the Los Angeles civic center. Approximately 13.75 square miles lie within the City's boundaries.

Historically, the City consisted of large citrus ranches which have since yielded to suburban residential, commercial and industrial development. Monrovia is an older bedroom community with a relatively stable population base.

The City has a mild, dry climate with mean daily temperatures ranging between 52.8 degrees in January and 73.0 degrees in July.

The topography of the City varies between broad stretches of relatively flat terrain and foothills at the base of the San Gabriel Mountains.

Municipal Government

The City is a general law city which adopted the council-manager form of government in 1923.

The City Council is composed of five members who are elected at large to overlapping four-year terms at elections held every two years. The Mayor is elected by a vote of the City electorate.

All City functions are carried out under the direction of the City Manager, who is appointed for an indeterminate term by the City Council. The City's overall budget for the 1977/78 fiscal year is \$13,537,246.

The City employs 184 full-time and 30 part-time personnel. Virtually all employees are represented by one of three employee bargaining units: The Monrovia Municipal Employees Association, the Monrovia Police Relief Association or the Monrovia Firefighters Association. Under provisions of the Meyers, Milias, Brown Act of California, formal contractual agreements are not executed between the City and the bargaining units. However, terms of salary settlements are incorporated into memoranda of understanding. The most recent memoranda with the municipal employees and police officers will expire on June 30, 1978, while the memorandum with the firefighters extends until June 30, 1979. The City has never experienced a work stoppage or slowdown.

Population

The 1970 U.S. Census reported that 30,562 persons resided in the City. Recent estimates certified by the State Department of Finance indicate that the City's population declined to 29,600 persons by January, 1977. A slight population decrease was also reported for Los Angeles County during the same period. The tabulation below presents a summary of population changes for the City of Monrovia and Los Angeles County since 1940.

Housing and Income

The 1970 Census of Housing reported 11,439 dwelling units in the City, of which 8,340 were single-family homes. More than 60 percent of the single-family dwellings were owner-occupied.

Home values and rents within the City differ significantly by geographical region with the more expensive units located in the foothill areas. The 1970 median value of a single-family dwelling was \$21,600 and the median rent was reported at \$100 per month. Comparable figures for Los Angeles County were \$24,300, and \$110, respectively. The tabulation to the right summarizes 1970 home values and monthly rents within the City.

Due to inflation and other factors home values and rents have risen significantly above the figures reported in 1970.

CITY OF MONROVIA

Home Values and Monthly Rents, 1970

HOMES VALUES

Less than \$10,000	183	3.7%
\$10,000 — \$14,999	709	14.3
\$15,000 — \$19,999	1,247	25.1
\$20,000 — \$24,999	1,096	22.1
\$25,000 — \$34,999	1,201	24.2
\$35,000 — \$49,999	448	9.0
\$50,000 and Over	80	1.6
	<u>4,964</u>	<u>100.0%</u>

MONTHLY RENTS

Less than \$40	68	1.2%
\$40 — \$79	1,315	23.6
\$80 — \$119	2,375	42.7
\$120 — \$149	1,180	21.2
\$150 — \$199	394	7.1
\$200 and Over	74	1.3
None	160	2.9
Total	<u>5,566</u>	<u>100.0%</u>

Source: 1970 U.S. Census.

The 1970 U.S. Census reported that the median income of Monrovia households during 1969 was

CITY OF MONROVIA AND LOS ANGELES COUNTY

Population

Year	City of Monrovia		Los Angeles County	
	Population	% Increase (Decrease)	Population	% Increase (Decrease)
1940 ^①	12,807	—%	2,785,643	—%
1950 ^①	20,186	57.6	4,151,687	49.0
1960 ^①	27,079	34.1	6,038,771	45.4
1970 ^①	30,562	12.9	7,040,679	16.6
1975 ^②	29,100	(4.8)	6,940,000	(1.4)
1977 ^②	29,600	1.7	7,023,800	1.2

① U.S. Census.

② January estimate by State Department of Finance.

\$9,633, compared to \$10,972 for the County of Los Angeles as a whole.

Building Activity

The City contains relatively little vacant land which is buildable. Consequently, most sites available for new construction have resulted from either the demolition of existing structures or the excavation of hillside acreage.

The tabulation below summarizes the valuation of building permits issued by the City during the past five calendar years. It can be noted that both the total valuation of building permits and the number of new residential units approved during 1977 exceed the respective aggregate totals for the preceding four-year period.

Employment

Residents of Monrovia find employment throughout the San Gabriel Valley and the Los Angeles metropolitan area. The City of Monrovia is included in the Duarte Community Labor Market Area for

reporting purposes by the State Employment Development Department. Last surveyed by state labor analysts in July, 1970, this area contained an estimated population of 235,800 persons and provided 65,700 jobs. The results of July, 1970 labor survey are summarized by job classification in the tabulation on the following page.

Manufacturing is the largest category of employment in both the Duarte Community Labor Market Area and the City of Monrovia. The largest employers in the City are industrial organizations as discussed in the following subsection of this official statement.

The largest non-industrial employer in the City is the Monrovia Unified School District, which has approximately 900 employees. The General Telephone Company of California and the headquarters of World Vision International, an interdenominational humanitarian organization, each employ approximately 400 persons in Monrovia. Other significant non-industrial employers are the City of Monrovia — 214 employees and Monrovia Community Hospital — 125 employees.

CITY OF MONROVIA

Building Permit Valuations (\$000 omitted) and New Dwelling Units

Calendar Year:	1973	1974	1975	1976	1977
VALUATION					
Single Family Residential	\$ 732	\$ 92	\$ 831	\$1,015	\$ 7,636
Multiple Dwellings	—	400	—	2,181	4,695
Residential Alterations	235	355	417	531	665
Commercial	604	110	51	60	1,232
Industrial	37	1,018	34	1,082	1,468
Non-Residential Alterations	253	329	580	550	630
Other	530	476	1,437	602	1,088
Total Valuation	\$2,391	\$2,780	\$3,350	\$6,021	\$17,414
NEW DWELLING UNITS					
Single Family Residential	65	5	28	29	155
Multiple	—	41	—	120	191
Total Units	65	46	28	149	346

Source: "California Construction Trends", Security Pacific National Bank.

**DUARTE COMMUNITY LABOR
MARKET AREA^①
Employment as of July, 1970**

Classification	Number of Jobs	Percentage
Agriculture	800	1.2%
Mining	800	1.2
Construction	2,200	3.4
Manufacturing	18,100	27.5
Transportation, communica- tions and utilities	3,200	4.9
Trade	14,800	22.5
Finance, insurance and real estate	2,400	3.7
Services	14,800	22.5
Government	8,600	13.1
Total	65,700	100.0%

① Includes the cities of Arcadia, Azusa, Bradbury, Duarte, Glendora, Monrovia, Sierra Madre, Temple City and adjacent unincorporated areas.

Source: State Employment Development Department.

Industry

The City of Monrovia has a substantial industrial base which includes several firms, or divisions thereof, of national prominence. Approximately 3.7 million square feet are utilized for light and medium manufacturing facilities.

One of the primary goals of the Monrovia Redevelopment Agency is the encouragement of new industry, as evidenced by the fact that nine of the Agency's 28 current and completed projects are light manufacturing plants or industrial parks.

The 1977 *Monrovia Industrial Directory*, prepared by the Monrovia Chamber of Commerce, lists more than 275 industrial firms. The largest industrial employers in the City, their primary products and approximate number of employees are summarized in the following tabulation.

Commerce

Monrovia's central business district is located along Myrtle Avenue between Huntington Drive and Foothill Boulevard. Several clusters of commercial establishments also operate along both Foothill

CITY OF MONROVIA

Industrial Firms With More Than 100 Employees

Name of Firm	Primary Products	Approximate No. of Employees
Unitek Corporation	Orthodontic and welding equipment	1,200
Actron	Aerial cameras and missile testing equipment	675
Anja Engineering	Pens, markers and butane lighters	400
Avery Label Systems	Adhesive labels and dispensers	400
Dielectron Co.	Ceramic disc capacitors	400
Advanced Structures	Aircraft adhesives and assemblies	375
Avon Products Inc.	Cosmetics and toiletries	250
Dupont, E. I. De Nemours & Co.	Analytical instruments	200
Town, Paulsen & Co., Inc.	Pharmaceuticals	125

Source: 1977 *Monrovia Industrial Directory* and firms listed.

Boulevard and Huntington Drive. There are ten automobile dealerships in the City, representing seventeen auto makes. Most retail establishments are individually owned and operated, the major exceptions being a 22,000 square foot J. C. Penney department store, several supermarkets and a super-drug store.

The City has continually lost retail sales to surrounding shopping areas during the past ten years. This trend became pronounced with the opening of the 927,000 square foot Santa Anita Fashion Park, a regional shopping center in the adjacent City of Arcadia, during 1975.

The Redevelopment Agency's policies reflect a realization that this trend is unlikely to be reversed and therefore its goal is to foster establishment of a compact, economically strong retail center on Myrtle Avenue rather than attempting to promote expansion in this area. However, efforts are being made to strengthen the City's automobile trade as evidenced by the fact that the Agency's 28 current and completed projects include three auto dealerships and a complete auto service and repair center.

The tabulation below summarizes taxable transaction data for the City of Monrovia during the five calendar years ending 1976 and for the 12 months ended September 30, 1977.

Banking

Commercial banking offices are maintained in the City by the Bank of America NT & SA, Crocker National Bank, Security Pacific National Bank and United California Bank. The Brentwood Savings & Loan Association and Glendale Federal Savings also operate branch offices within the City.

Transportation

The City is traversed by U.S. Highway 66, the Foothill Freeway (State Highway 210) and the main line of the Atchison, Topeka & Santa Fe Railroad. The Foothill Freeway intersects the San Gabriel River Freeway (State Route 605) less than two miles east of the City limits providing freeway access to southern and eastern destinations. Direct access to western and northern points is provided by the Foothill Freeway which meets the eastern terminus of the

CITY OF MONROVIA

Summary of Taxable Transactions (\$000 omitted)

Year:	1972	1973	1974	1975	1976	1977 ^②
Apparel stores	\$ 1,083	\$ 992	\$ 804	\$ 482	\$ 473	\$ 514
General merchandise stores	8,413	8,881	8,303	10,973	9,010	8,815
Drug stores	1,262	1,258	1,336	1,290	1,334	1,320
Food stores	4,472	4,461	5,126	5,606	5,851	6,024
Packaged liquor stores	1,878	2,082	1,948	2,006	2,330	2,380
Eating and drinking places	3,154	3,409	3,907	4,417	4,892	5,283
Home furnishings and appliances	1,851	2,059	2,236	2,239	2,339	2,614
Building materials and farm implements	2,333	2,950	2,819	3,720	5,071	6,845
Auto dealers and auto supplies	34,140	33,555	31,422	28,420	30,143	35,027
Service stations ^①	3,092	5,876	7,693	8,265	9,090	9,285
Other retail stores	3,053	3,975	4,163	3,927	4,379	4,539
Retail Store Totals	\$64,731	\$69,498	\$69,757	\$71,345	\$ 74,912	\$ 82,646
All Other Outlets	19,387	23,341	24,823	27,536	29,438	33,362
Total All Outlets	\$84,118	\$92,839	\$94,580	\$98,881	\$104,350	\$116,008

① Sales of gasoline first became taxable on July 1, 1973.

② Data for the twelve months ended September 30, 1977. The total for all outlets in calendar 1977 was \$121.951 million.

Source: State Board of Equalization.

Ventura Freeway (State Route 134) in Pasadena, approximately 8 miles west of the City.

Daily Amtrak passenger service to eastern locations is available in Pasadena. Nearly one-third of the City's industrial acreage is served by railroad spur lines.

Transcontinental bus service is provided by Greyhound and Trailways in Pasadena. The Southern California Rapid Transit District furnishes interurban bus service. A "dial-a-ride" system provides personalized taxi service for a nominal fee within the City limits.

A general aviation facility is located less than five miles from the City in El Monte. Commercial airline service is available at the Hollywood Burbank Airport, Ontario International Airport and Los Angeles International Airport, each of which is within 30 to 60 minutes driving distance.

Shipping facilities to intercoastal and world ports are available at Los Angeles Harbor and the Port of Long Beach — approximately 40 miles southwest of the City.

Utilities

Electric power is supplied within the City by the Southern California Edison Company. The Southern California Gas Company provides natural gas. Telephone service is furnished by General Telephone Company of California. Water and sewerage service are provided by the City.

Education

Most of the City lies within the Monrovia Unified School District. The school district provides public education from the kindergarten level through high school, plus adult education. The school district operates five elementary schools, two intermediate schools, a high school and a continuation school.

A summary of the school district's average daily attendance for each of the past five fiscal years and the first six months of the current fiscal year appears below.

The remainder of the City is located in the Arcadia Unified, Duarte Unified and El Monte school districts.

The Monrovia Unified School District and the Duarte Unified School District portions of the City are within the Citrus Community College District while the balance is in the Pasadena Area Community College District and the Rio Hondo Community College District. The three community college districts maintain two-year colleges in Azusa, Pasadena and Whittier, respectively.

Monrovia is located within commuting distance of several four-year collegiate institutions, the closest of which is the California Institute of Technology in Pasadena. Other recognized four-year colleges and universities within a twenty mile radius of the City are California State Polytechnic University at Pomona, California State University in Los Angeles, Claremont Graduate School and University Center (Claremont Men's College, Harvey Mudd College, Pitzer College,

MONROVIA UNIFIED SCHOOL DISTRICT Average Daily Attendance^①

Fiscal Year	K-8	9-12	Continuation School	Total
1972/73	4,429	1,948	71	6,448
1973/74	4,389	1,902	81	6,372
1974/75	4,238	1,769	91	6,098
1975/76	4,294	1,767	105	6,166
1976/77	4,209	1,724	108	6,041
1977/78 ^②	4,127	1,726	101	5,954

① ADA figures include summer school, but not adult education.

② First six months only.

Source: Monrovia Unified School District.

Pomona College and Scripps College), Immaculate Heart College, Occidental College and Whittier College.

Community Facilities

The Monrovia Community Hospital is a 49-bed general health care facility. The 150-bed Santa Teresita Hospital is located immediately adjacent to the City limits in Duarte. The world-famous City of Hope, also in Duarte, offers specialized treatment for catastrophic illnesses. Three convalescent hospitals also operate within the City.

There are six parks within the City, providing playgrounds, municipal swimming pools and tennis courts. The largest of these, Monrovia Canyon Park, offers an overnight cabin and campground, nature trails and fishing facilities. A Community Center featuring recreational and cultural facilities for all age groups was dedicated during November, 1977.

The Monrovia Public Library contains nearly 70,000 volumes.

The *Monrovia News-Post*, published in Arcadia, is circulated twice weekly. Daily news coverage is provided by the *San Gabriel Valley Tribune*, the *Los Angeles Times* and other metropolitan newspapers. The City is within broadcast range of Los Angeles area radio and television stations.

Thirty-six churches representing 24 denominations hold services in Monrovia. There are approximately 65 service and fraternal organizations in the City.

The Santa Anita Race Track is located approximately two miles west of the City in Arcadia, as is the Los Angeles State and County Arboretum. The recreational, cultural and athletic attractions in Los Angeles and Orange counties are generally within forty-five minutes driving distance of Monrovia.

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